



REGIONAL MUNICIPALITY OF

HAMILTON-WENTWORTH

ECONOMIC DEVELOPMENT DEPARTMENT

CA3 ONHW Q78
A561 1986

**BUSINESS DEVELOPMENT
ANNUAL REPORT
1986**


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BUSINESS DEVELOPMENT DIVISION

ANNUAL REPORT

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ECONOMIC DEVELOPMENT DEPARTMENT
REGION OF HAMILTON-WENTWORTH

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1.0 ECONOMIC DEVELOPMENT OVERVIEW

The dynamic economy of Ontario and specifically the Golden Horseshoe induced tremendous development in the Hamilton-Wentworth Region. Indicators of economic performance all attest to a banner year in 1986. Records for employment, construction and land sales were all exceeded.

Construction activity as measured in terms of building permit values reached 546 million in 1986 for the Hamilton-Wentworth Region. This figure is a 60% increase from last years record levels.

The number of employed in the Hamilton Metropolitan Area topped 281,000 for 1986, up 7% from 1985. The number of unemployed dropped to 21,000. The area unemployment rate of 6.9% is down significantly from the 1985 rate of 8.7%.

Complementing the employment figures is a participation rate of 67%, up by two points from the 1985 rate of 65%. This increase indicates that a greater proportion of people are actively seeking employment, and combined with a decreasing unemployment rate, are finding it.

Sale of municipally owned industrial land exceeded the volume of such lands sold over the past four years. Thirty eight acres of land valued at \$2.3 million were sold in 1986. Total acreage sold is up 170% from the 1985.

Residential and other private real estate sales also enjoyed an exceptional year. The Hamilton area housing market recorded twelve thousand sales, valued at \$1.1 billion dollars in 1986. Sale value was 28% higher than the previous year.

The vibrant economy has assisted the less fortunate through the creation of jobs and business opportunities. Both the number of welfare beneficiaries and bankruptcies declined substantially during 1986.

With respect to Business Development Division activities, 1986 was a particularly good year. Staff recorded 191 inquiries from businesses considering expansion or location within the Region. Twenty five of these inquiries were completed in 1986, with 30 completions from previous years.

Twenty three new locations or establishments creating 830 new jobs were noted by staff in 1986. Thirty-seven firms expanded or relocated within the Region creating another 500 jobs. These 60 developments represent only those firms with which the Department was involved. Many other businesses established and expanded within the community of which staff was not involved.

Staff called upon 170 existing businesses during the year as part of a visitation program. Local visits enable staff to maintain contact with the existing business community in an attempt to avert business dislocation and discover new firms and developments.

Assistance to new and small business is sure to be improved with the re-location of the Business Advisory Centre (BAC) proximal to the Department. The BAC aids entrepreneurs in acquiring skills and resources to successfully establish a new venture.

The Department continued to undertake special projects which benefit the entire Region. Projects such as the Canada Steel Science and Technology Centre/Museum or the Airport Marketing Study are instrumental in developing an infrastructure which enhances the image and facilities of Hamilton-Wentworth.

Trade missions abroad to follow up on identified prospects and generate new leads to attract investment to Hamilton-Wentworth have been successful. Numerous ventures within the Region have been prompted by such efforts.

Development in 1986 within Hamilton-Wentworth has predominantly been boosted by major projects which staff has little or no input. Industrial projects such as Dofasco's and Stelco's additions are influenced more by global economies and the auto industry than any other factor, and the expansion of Amstel Brewery is prompted more by Amstel's growing sales than local interaction.

However, major industries do not invest where the future seems insecure. The support and dedication of the area municipalities and Regional Council with respect to business development creates an environment attractive to corporations. The vision and guidance of the Region's Economic Strategy is sure to enhance prospects for long term economic development.

Forecasts for 1987 are very optimistic. Continued investment in the downtown, such as the Eaton Centre project or the many other proposed office building projects should prove a strong catalyst. Small business and industrial investment are also expected to continue as business within the Golden Horseshoe enjoys a vibrant economy. Hamilton-Wentworth undoubtedly will continue to play a major role in this area.

Statistics depicting the economic growth of Hamilton-Wentworth for the past five years have been compiled in a supplemental report. Staff is frequently asked to provide figures indicating recent performance and past trends to enable market analysis to be undertaken by prospective investors. The supplemental report is available upon request.

2.0 LOCAL ACTIVITY

Considerable development occurred in the Region during 1986. New business establishments, existing company expansions, municipal industrial land sales, commercial and industrial construction amidst a variety of other statistical indicators all attest to tremendous economic development within Hamilton-Wentworth.

It is impossible to account for every project within the community. Business often proceeds with expansion or relocation plans without advising the Business Development Division. Many firms do not need or wish any involvement or assistance with their plans. In other cases, development may be induced by staff activity with a third party. The relocation of a firm into a building constructed with space for lease by firm who was assisted by staff is an example.

Staff's influence over a prospective firm's location or expansion is limited. Numerous criteria are assessed by business contemplating development. Provision of accurate, complete information is the major responsibility of staff. The decision to locate, re-locate, or expand is based more upon the amenities of the community and existing business environment as these factors relate to the firms location requirements than by any other reason. Staff's role is to identify or discover businesses contemplating development and ensuring that the attributes and opportunities of Hamilton-Wentworth are presented in a favourable manner for consideration by the prospect.

Inquiries

Individuals and companies considering location or expansion within the Region of Hamilton-Wentworth, which are known to staff, are recorded as inquiries. Table 1 shows the status of inquiries received during 1986.

BUSINESS DEVELOPMENT DIVISION INQUIRIES - 1986.

<u>Type of Inquiry</u>	<u>Total</u>	<u>Active</u>	<u>Dropped</u>	<u>Completed</u>
Cold Calls	112	86	8	18
Referrals	70	53	11	6
Direct Mail	1	1	0	0
Advertisements	3	0	3	0
Trade Fairs	5	1	3	1
TOTAL	191	141	25	25

SOURCE: Business Development Department, Confidential Inquiry Sheets - 1986

Completions in a given year include leads generated from previous years. Many economic development projects require more than one year to bring to fruition. In addition to the 25 completed 1986 inquiries, thirty files from prior years were finalized.

Inquiry files are dropped as firms locate in other communities, or discontinue their expansion or relocation plans. Rationale of firms not proceeding with their plans is pursued by staff when possible.

New Business Location And Establishments

Staff was involved with the establishment or location of 23 new businesses during 1986. Over 830 employees were added to the community from these projects. These figures do not represent all new business development with Hamilton-Wentworth. The following list details new developments influenced by staff in 1986.

1. Hullmen Industries, formerly of Burlington, has located in Flamborough. This firm is involved in welding, fabricating and metal fitting. Employment is expected to increase from the existing level of three employees.
 2. Bio-Medi Equipment Incorporated located on Highway #6 in Glanbrook Township in anticipation of increased airport activity in the future. A rezoning was initiated and passed allowing the firm to relocate from Caledonia. In another matter, staff have contacted the company president regarding a joint venture or licensing arrangement with firms from Germany.
 3. La Pantofola d'Oro Canada Inc. commenced manufacturing soccer boots in Hamilton under license from the Italian parent company. The firm is located in 12,000 square feet and initially is employing 15 people. It is expected that employment will increase substantially over the coming months.
 4. A firm from West Germany has established a new operation in Hamilton as a result of staff participation in trade missions to Europe. Sunday Widows will be assembling P.V.C. components to manufacture windows and doors. Staff also assisted with customs clearances for machinery and equipment to expedite the start up of this project. Regional Chairman Wm. Sears attended the grand opening.
 5. Burlington Terminals, Division of Fluke Transport Co. purchased the former Allan Industries building on Warrington Avenue in east Hamilton for \$3.5 million. The company had operated a public warehouse from the site previously. Burlington Terminals occupies 85,000 square feet and leases the remainder. The firm employs 25.
 6. Premiere Plastics moved to Hamilton from Toronto and leases space in the former Allan Industries building, now owned by Burlington Terminals. Premiere produces plastic bottles for detergent, cosmetics and fragrance industries. Employment now stands at 45 but is expected to increase substantially.
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7. In September 1985, Wines Incorporated from Akron, Ohio contacted this Department to assist in finding a location. With the assistance of a local realtor and law firm, the company found an appropriate site in Hamilton and became incorporated as Lindstrom Beer and Wine Making Supplies Ltd. in May.
 8. Sunezco is the Canadian incorporated branch company established by Westasfahl of West Germany for the distribution of steel. Staff assisted with immigration processing and finding an office, at 100 Main Street East, in Hamilton.

In October of 1986, Sunezco acquired a parcel of land on Nash Road to develop a 30,000 square foot steel service and processing centre. Total investment is expected to exceed \$2.5 million and create 60 jobs when completed.
 9. Addmore Office Equipment, of Toronto established a new branch on Mary Street in Hamilton. The grand opening was held in September, with Mayor Morrow presiding. Addmore sells and leases new and used office equipment. Six jobs were created.
 10. Ocean Cruising Yachts, formerly of Montreal, has located on Harbour Commission Land. The Company is situated in 6,000 square feet of building and has invested upwards of \$500,000 in plant and equipment. Ten people are employed on site. The firm manufactures and repairs world-class yachts. Ocean Cruising Yachts chose Hamilton-Wentworth because of its central location on the Great Lakes and proximity to North American markets.
 11. Ulrich Haase of Haase Steel Industries Ltd., Sault Ste. Marie requested assistance in a search for an appropriate building for his steel fabricating/machine shop operation, which he was moving to the Region. Mr. Haase has obtained a suitable 4,000 square foot building on Arvin Avenue in Stoney Creek. Initially six employees will be working in the shop.
 12. The Chamberlain Exchange Group Limited, of Toronto contacted the department regarding the opening of a foreign currency exchange office in Hamilton. The company has located in Jackson Square. Two employees manage the office. Chairman Wm. Sears participated in their grand opening ceremonies.
 13. Team Re-Bar Concepts is a newly formed company in Stoney Creek. This company was formed by John Witts of M.E.P. (Newman Steel) to complement the operations of M.E.P and is located in the same Millen Road facility.
 14. Wercholz Associates, formerly of Burlington, established its new head office in Flamborough near Clappison's Corners. Wercholz considered establishing its manufacturing facilities in the Muskoka area, but staff presented a proposal outlining the attributes of the Ancaster Industrial Area. Wercholz purchased a lot in Ancaster and is constructing an 11,000 square foot building for the manufacture of expansion joints and bearings. The firm will operate as W.G. Bearings and initially employ 10.
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15. Ideal Plumbing Supplies, of Toronto, was aided by staff in establishing a Hamilton location. Ideal purchased a site on Barton Street East and is constructing a \$600,000 building for the wholesale and distribution of plumbing supplies. Sixteen jobs were created.
16. General Liquid Engineering commenced manufacturing of liquid waste removal transporting equipment on Hilton Drive in Stoney Creek. The company employs 15.
17. Mechanical Drywall of Burlington, purchased a parcel in Ancaster Industrial Park. Mechanical plans to build a 10,000 square foot structure, occupy half and lease the remaining area. Mechanical employs 35.
18. King Entertainment Associates, of Toronto, has established a branch office in Hamilton. The firm is involved with event planning and promotion and employs three.
19. Armour Steel Supply Ltd., of Caledonia, has moved to 50 Dartnall Road in Hamilton. The firm purchased four acres and is planning to construct a 5,000 square foot structure. Armour is a steel service centre and employs 6.
20. Auto Listings Inc. maintains and sells a computerized directory of used automobiles for sale. The firm employs two and is established on Main Street West in Hamilton.
21. Ontario Ministry of Labour Workers Compensation Board Region Office has opened a Hamilton office in the Standard Life Building. Claim registration, adjudication, and compensation payment for workers in Hamilton, Wentworth, Niagara, Haldimand-Norfolk, and Halton Regions and Brant County will be administered from this office. Staff conducted familiarization tours for Workers Compensation Board employees.
22. Geri Care Nursing Home purchased a lot in Ancaster Industrial Park for an industrial warehouse. The firm will employ four at the proposed facility.
23. Artell Developments has purchased a large parcel near the intersection of Centennial Parkway and the Queen Elizabeth Way within the Keefer Court Industrial area of Hamilton. Artell plans to develop a 60,000 square foot motel/commercial project.

Expansions or Relocations

By far the greatest volume of economic activity is generated from the existing business community. Of the total value of business investment in a community, over 80% can be expected from those firms currently in operation. It is for this reason that retention of existing business is perhaps the most important aspect of economic development functions. Staff of the business development division were involved with projects undertaken by the following firms:

1. Economic Development staff were involved along with the Provincial Ministry of Industry, Trade and Technology in assisting Hamilton Engraving acquire new machinery and equipment. Also a small expansion has taken place to accommodate increased business.
2. Miles Collision requested and received information concerning a suitable site for the relocation of their automotive body repair and paint shop. After numerous by-law inquiries and an extensive search for a site the firm moved to leased premises on Nebo Road, south of Rymal Road in Hamilton.

Later in the year, Miles Collision arranged to purchase a municipally owned parcel along Rymal Road in the Mountain Industrial Area. Miles plan to build a 5,000 square foot structure for their business.

3. Hamilton Lumber had noticed a decline in business traffic which they attributed to the Burlington Street overpass diverting traffic from Parkdale Avenue. Staff worked with the firm since March 1984 in seeking a site. The company purchased a five acre site near Barton Street and Dewitt Road in Stoney Creek. A 50,000 square foot structure is being built for retail and warehouse operations. Occupancy is expected by the summer of 1987.
 4. In 1984 Bella Pasta contacted this Department for assistance in presenting a business plan to the I.R.D.P. personnel in Toronto. Although plans have been scaled down the firm has moved into a new location in east Hamilton. Employment is presently 22 but is expected to increase as the firm settles into new premises. Alderman Vince Agro referred Bella to staff.
 5. Peregrine Yachts manufacturers and repairs aluminum craft. Recently the firm relocated to Cascade Avenue. An increase in employment by three to correspond with the increased space is anticipated. The firm has a broad national market and is exploring opportunities in the United States. Peregrine was referred by City of Stoney Creek staff.
 6. Ross' Reefer Service contacted this Department in May of 1984 seeking a new location to house their expanded business. The company was referred to the Hamilton Real Estate Department after expressing interest in Keefer Court Industrial Park. The firm moved to their new structure on Goderich Avenue in June, 1986. It has doubled its space and expects employment will increase by five in the new year.
 7. Universal Handling, manufacturers of commercial waste disposal units completed a \$200,000 office expansion at its Burland Crescent, Hamilton plant. Staff were asked to investigate required permits and regulations.
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8. Grimsby Linen Manufacturers asked the department for assistance in looking for a parcel of land on which to build a plant. The company, manufacturers of infant bedding, purchased a 16,000 square foot building on 1.3 acres on Grays Road in Stoney Creek. Twenty-five employees are expected to be added to the existing staff of 50.
 9. Child's Truck Bodies completed a \$104,000 expansion at its Arvin Avenue operation in Stoney Creek. The company added eight employees to its staff of 30.
 10. Nelson Steel, a steel service centre, completed a \$2.1 million expansion of its Arvin Avenue operation in Stoney Creek.
 11. W. Austin Poultry Equipment conducted an extensive search throughout the Region to discover a suitable site. Austin decided to build a 9,600 square foot structure on a parcel of land they owned on Commerce Court in Stoney Creek. Three new employees were added. The firm was referred by a local realtor.
 12. Canadian Ferro Hot Metals, added 12,000 square feet to its manufacturing facility on Arvin Avenue in Stoney Creek. The firm added 5 jobs. Canadian Ferro produces liners for ingot moulds for the steel industry.
 13. Stoney Creek Furniture purchased a ten acre parcel at Lewis Road and South Service Road. A 60,000 square foot furniture warehouse and manufacturing facility was constructed. A total of 75 employees are expected to be added. The firm was referred by a local realtor.
 14. Frimar Services purchased a parcel in Ancaster Industrial Park and constructed 11,650 square foot building. Frimar provides a custom packaging service for other businesses. The \$600,000 investment created 14 jobs. Total employment is now 30 with additional jobs expected to be created.
 15. Ken Hockey Limited, a company involved in the sale and distribution of wooden caskets also purchased a lot in Ancaster Industrial Park. A 9,000 square foot structure is expected to be erected, although no change in employment is originally anticipated. The firm was referred by Town of Ancaster staff.
 16. As a result of an Italian joint venture initiated in 1982, M.E.P. (Newman Steel) expanded in Stoney Creek. The firm moved to 400 Millen Road and where it leases 18,000 square feet formerly occupied by B.B.F. Machine Shop. M.E.P. created 5 new jobs.
 17. E-PRO Machine/B.B.F. Machine Shop, consolidated their operations and moved to 54/ Arvin Avenue. The company is now known as E-PRO and operates from a recently completed 50,000 square foot structure. Twenty employees were added to the custom machining and fabrication firm.
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18. Cruissants Bakery was referred to staff by Alderman Vince Agro. Cruissants located at 88 Cannon Street in Hamilton, although another move will be required.
 19. John Bear Pontiac Buick is constructing an automotive dealership on Upper James Street in Hamilton. The site was re-zoned to allow a paint and body shop in conjunction with the auto dealership.
 20. Brook's Truck Salvage and Re-Cycling have relocated to a new site on Highway #6 near Freelon in Flamborough. Brook's was referred to staff by a representative of the Ministry of Industry, Trade and Technology.
 21. R.J. Technologies have moved to a 4,200 square foot unit at 101 Morley Street in Hamilton, an increase of 3,200 square feet. Two employees were added to the firm which manufactures fibreglass truck caps for campers and recreational vehicles. The company was referred to staff by a local realtor.
 22. Decor Precast purchased two new machines from Germany to expand their product lines. Nine employees have been added to the workforce. Decor was referred by City of Stoney Creek staff.
 23. Hamilton Funeral Homes resurrected the former Sharp Monuments operation on Main Street East in Hamilton to produce funeral monuments. The company has several funeral homes throughout southwest Ontario and now offers a more complete service to the bereaved. Two new employees were hired.
 24. Anderson Water Treatment Systems were concerned over a perceived billing error with regard to tax arrears generated from unpaid water bills. Regional Finance Department staff investigated the matter and provided a satisfactory explanation to Anderson and have resolved the original problem.
 25. Staircase, Division of Wm. Buchanan, purchased 2.5 acres in Ancaster Industrial Park to build a 20,000 square foot manufacturing facility. Staircase produces wooden railings and staircases. Twenty employees will be added to the firm. Total investment is estimated at over \$700,000.
 26. Balloonman of Canada, is moving to a new facility at 333 Kenora Avenue in Hamilton. Balloonman of Canada, and Pioneer Balloon Company both of which are divisions of Continental American Corporation, will occupy a new 73,500 sq. foot building being constructed on 4.2 acres of land. Total investment is expected to exceed \$7 million. Over 50 jobs will be created by the development. Pioneer Balloon and Balloonman will operate independently of each other.
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27. Millpresst Sheetmetal relocated to Stoney Creek from Hamilton and developed a three acre site at 63 Sunnyhurst Avenue with a 6,000 square foot structure. Millpresst has plans to further develop the surrounding area for lease. The firm manufactures heating and air conditioning ducts.
 28. K-Mart Stores opened a 60,000 sq. foot store in the Limeridge Mall expansion. Over 100 employees were hired to staff the store, which has over \$3 million in goods in stock. Several other stores moved into the addition as well, employing over 50 people.
 29. Trinity Manufacturing purchased land in Ancaster Industrial Park to construct a manufacturing facility. Trinity produces aluminum bus stop shelters and specialty greenhouses. City of Hamilton Real Estate department referred this firm. When fully operating 20 jobs will be generated.
 30. Fabris Industrial Manufacturing Limited completed a 10,000 sq. foot, \$750,000 expansion in 1986. Fabris manufactures steel working guides and special components for the steel industry. The Stoney Creek manufacturer expects employment to increase by 50. Fabris was the worthy recipient of the Hamilton and District Chamber of Commerce Achievement Award in 1986. Fabris has also been identified as a likely joint venture prospect with an Italian engineering firm.
 31. Deagray Restoration will move the building restoration business to a new site in Ancaster Industrial Park. The firm will employ 26 and operate from a 6,000 square foot structure to be built. City of Hamilton Real Estate Department referred this firm.
 32. Can Trim purchased two lots in Ancaster Industrial Park. The firm plans to develop one site as an industrial woodworking shop for their own use, and to lease the other lot after two 10,000 square foot structure is built. Four jobs will be initially created. City of Hamilton Real Estate Board referred this firm.
 33. D.G. Seldon Printing, a commercial printing company purchased the former Kiwi Polish building in Hamilton. Seldon is occupying half the structure and expects to lease the remainder. Prior to this move Seldon had indicated they were going to leave the Region due to a lack of suitable space to accommodate their growth.
 34. Liftow Ltd. of Hamilton purchased a lot in Keefer Court industrial park to construct a new 10,000 square foot building for their operation. An additional 7 employees will be created. Liftow is a lift truck service and sales company.
 35. Columbian Chemicals research and development division from Oklahoma is being moved to the Hamilton operation. An addition to the existing facility is underway. Columbian produces carbon black. Employment addition is not finalized.
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36. Nella Cutlery of Stoney Creek was awarded a major contract to provide bayonets to the Canadian Armed Forces. Nella expanded their workforce by fifteen.
37. Uniglove of Hamilton, who repair and clean workgloves for manufacturing industries was purchased by the former manager. Uniglove was to be amalgamated with the Mississauga operations. Staff assisted the new owner in obtaining a financial package to acquire the business. Thirty-five jobs were saved.

Operations Lost

As it is difficult to record all new business establishments and expansions, so too is the task of monitoring dislocation of area firms. The following is a sample of prominent businesses lost this past year.

1. Robinson Cone relocated to a land parcel in Burlington which they had owned since 1979. Robinson cited the lack of available properties adjacent to municipal bus routes as the determining factor. Staff had worked with Robinson's representatives in seeking a new site. Unfortunately, none of the presented sites were ideal.
 2. Slacan (Division of Slater Steel) relocated to Brantford. Slacan had indicated that they would be staying within the Region, but were forced to abandon their plans. The chosen site in Stoney Creek required re-zoning, and objections raised at a Stoney Creek Council meeting may have forced an Ontario Municipal Board hearing and delayed the project. Slacan was forced to begin construction by a specified date to enable them to vacate their premises by another arranged date. Slacan also received Federal government assistance for developing in Brantford, incentives which are not available in Hamilton-Wentworth. Slater Steel's other operations remain in Hamilton.
 3. Reid-Dominion Packaging transferred its carton manufacturing operation to its Mississauga facility. The firm had recently purchased a revenue-producing colour press which was located in Mississauga. Inflexibility of the labour union in granting manpower reductions is thought to have prompted the colour press location. The company will also benefit from lower labour costs in Mississauga.
 4. AMN Garment Manufacturing has consolidated its ladies' high fashion manufacturing to its Toronto operation. Low productivity and a lack of skilled workers were cited as partial reasons for the company's re-organization.
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5. Westburne Central Supply transferred its head office and distribution centre to Burlington. The need for highway access and limited space in the previous location were key factors in the relocation decision. In the wake of the announcement, Westburne did release news of expansion plans for the Nash Road and King William Street stores, as well as a new facility to be located on Hamilton Mountain.
 6. Kiwi Polish Company moved their operations into facilities owned by their parent company in Burlington. Kiwi's expansion and acquisitions forced the need for additional space. Fuller Brush, also a division of the Sara Lee Corporation, had appropriate space available. Significant savings were achieved by having the firm move in with a sister company. No relocation of staff was expected.
 7. Robinson's closed its Stoney Creek warehouse in October. A reduction in the number of Robinson's Department stores dependent upon the warehouse precipitated the closure.
 8. Canadian Cannery head office announced it will be closed in early 1987. Nabisco Brands Ltd. acquired Canadian Cannery and amalgamated operations to the Toronto office.
 9. Numco Engineering moved to Burlington after a search for facilities did not produce an appealing site. Lower taxes in Burlington were also mentioned as a consideration.
 10. M&T Chemicals moved to Burlington when a suitable local site could not be found. Staff had worked with M&T for several months and had presented several sites but none were appropriate. M&T was forced to move because the owners of the site required the space for their own expansion.
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Building Permits

The volume of construction activity within the Region is unprecedented. Total value of building permits issued in 1986 exceeded \$545 million which breaks all past records.

BUILDING PERMIT DISTRIBUTION BY SECTORS - 1986

MUNICIPALITY	INDUSTRIAL	COMMERCIAL	INSTITUTION	RESIDENTIAL	TOTAL
Hamilton	173,624,333	45,724,215	90,113,414	87,560,784	397,022,746
Stoney Creek	5,664,900	5,471,900	3,906,000	45,594,950	60,637,750
Ancaster	305,000	612,000	2,457,840	41,935,848	45,310,688
Dundas	32,000	821,359	589,779	8,834,029	10,277,167
Flamborough	2,204,321	1,265,944	336,045	24,664,353	28,470,663
Glanbrook	364,000	85,000	180,000	3,611,500	4,240,500
REGION	182,194,554	53,980,418	97,583,078	212,201,464	545,959,514

Source: Municipal Building Departments

Total value of permits issued for the Region at \$546 million is up 47% from 1985. Institutional permits account for the most significant increase. Total value issued of \$97 million is a 233% increase from 1985. Commercial permit values have increased 80% to \$54 million, industrial permits issued are up 60% to \$182 million and residential values at \$212 million increased 30% from 1985.

The City of Hamilton has shown the most dramatic change in terms of total building permits issued. At \$397 million, Hamilton's total value of building permits has almost doubled since 1985.

Ancaster's permit total jumped 25% to \$45 million predominantly due to residential growth. Stoney Creek's total value of \$60 million represents a 7% increase. Flamborough experienced a 6% increase and totalled \$28 million. Dundas experienced a decline of 16% dropping to \$10 million while Glanbrook also dropped (31%) to \$4.2 million.

Municipal Industrial Land Sales

Sale of publically owned industrial land within Hamilton-Wentworth out paced all previous years.

Brisk sales likely can be traced to the overall buoyant economy, release of pent up demand from prior years, and ready availability of serviced land in prime locations. Not suprisingly, the industrial parks experiencing the greatest volume of sales are located adjacent to major transportation routes.

MUNICIPAL INDUSTRIAL LAND SALES - 1986

INDUSTRIAL AREA	TRANSACTIONS	ACRES	(\$000,s) VALUE	AVERAGE/\$ACRE
Mountain No. 1	2	3.12	98.0	\$31,410
Rymal	2	1.35	54.0	\$41,530
Mountain No. 3	3	3.69	172.8	\$46,830
Stone Church	2	5.56	250.2	\$45,000
Ancaster	12	12.64	317.8	\$25,142
Keefer Court	7	11.22	1,355.7	\$120,828
TOTAL	28	37.58	2,248.5	\$ 60,000

Source: City of Hamilton Real Estate Department

Metropolitan Labour Force

The economic performance of the Hamilton Metropolitan area has significantly improved the employment situation. The active labour force (number of employed plus number of unemployed) averaged 300,000 during 1986, a 5.2% increase from the 1985 figure. This represents a participation rate of 68%.

The number of employed averaged 281,000 during 1986, a 7.3% increase from 1985. Nineteen thousand more area residents were employed last year than in 1985.

The number of unemployed averaged 21,000 during 1986, a 16% decline from the previous year. During May, only 15,000 persons were unemployed. The unemployment rate, at 6.9% is significantly lower than the National average of 9.2% and comparable with the Ontario figure of 6.2%.

HAMILTON CENSUS METROPOLITAN AREA LABOUR FORCE - 1986

FACTOR	NUMBER	%CHANGE FROM 1985
Labour Force	445,000	+0.8%
Active Labour Force	302,000	+5.2%
Employed	281,000	+7.3%
Unemployed	21,000	(-16.0%)

Source: Statistics Canada

3.0 LOCAL PROMOTION

Chamber of Commerce Participation

As in years past, staff has attended and participated in Chamber of Commerce committees and functions. Four Chambers exist in Hamilton-Wentworth; The Hamilton and District, Stoney Creek, Flamborough and the Canadian/Italian. Staff is involved at the committee level of the Hamilton and District Chamber, i.e. Business Development, International Trade, Tourism Development and the Dundas Division, and provides resource input.

Seminars and Trade Exhibits

In January the Hamilton and District Chamber of Commerce co-hosted a seminar with the Investment Canada branch of the federal Department of Industry, Trade and Commerce. The theme of the seminar was "Canada is open for business".

In February, regional staff along with representatives from Ancaster, Flamborough, Glanbrook, Stoney Creek and the Hamilton Harbour Commission, participated in Site Selection '86 held in Toronto. The show was attended by the Chairmen, Mayors and Councillors from most municipalities in Southern Ontario.

Also in February staff attended a seminar in Hamilton hosted by the federal Minister of Employment and Immigration. The theme was federal government's plans for sustained employment, particularly for youth in Canada.

The Export Market Place seminar in Toronto was hosted by the Department of Regional Industrial Expansion. The federal and provincial governments' roles in developing export trade were explained along with an examination of programmes available to industry to develop export markets.

In May, the Ontario Ministry of Industry Trade and Technology hosted a seminar in Hamilton on "Doing Business in China". The keynote speaker was the Honourable Hugh O'Neil, Minister. Panelists discussed the problems and opportunities which exist in China.

The Hamilton Industrial Exposition was held in June at the Hamilton Airport. Staff participated in the trade show with representatives of Ancaster, Flamborough, Glanbrook, and Stoney Creek also in attendance. This forum displayed industrial products and services and was attended predominantly by area manufacturers.

A Land Related Information Seminar was held in June at the convention centre to present new techniques for monitoring and documenting land development and servicing. Economic Development staff attended this Regionally sponsored seminar.

The City of Hamilton organized a Free Trade Forum in October at the Convention Centre. Staff was involved in the Forum Steering Committee and attended the forum. The issue of free trade and its ramifications on the community was discussed and debated by business and labour leaders as well as political representatives from the three major political parties.

The Region participated in Womens World '86 in November at the Convention Centre. Exhibitors at this show included consultants and retailers who promoted their products, sales and services through consultations, demonstrations and seminars.

Brochures and Literature

A revised and improved Regional brochure was issued in April. The format is based on the previous years brochure and is now titled Look At Us Now. Apart from the English text, the brochure includes Chinese, Japanese, Italian and German copy as well. In tandem with these revisions was the updating and translations of our promotional audio visual presentation in 16mm film, video cassette in VHS and Beta, as well as Super 8 cartridge.

The Hamilton-Wentworth Business Directory is now available. The new 1986-1987 format has made the publication simpler to use and more readable. The new Directory was prepared in-House without advertising inserts.

Three Skyline newsletters were produced in 1986. The March issue introduced new Regional Chairman Wm. L. Sears, and the new Council. It outlined the service to small business of the Business Advisory Centre. The June Skyline featured expanded and relocated business in the Region. The December issue underscored Hamilton-Wentworth's status as a Regional centre.

A new Industrial Parks Brochure was produced in 1986. The brochure consists of a common folder for all industrial areas with separate contents pages specific to each municipally owned industrial park. Each individual contents package outlines services, sale conditions, development approval, municipal contacts, a lot plan and aerial photograph.

Literature Awards

The Region once again received high literary recognition from Canadian the Industrial Developers Association of Canada. IDAC awarded the department with two Excellents in the categories for Brochures and Business Directory, and an Honourable Mention for Advertisements.

Client Services

Staff continues to interact with new and existing businesses via mail, telephone, various association meetings and personal visits. Information is relayed to investors and entrepreneurs concerning identified opportunities such as joint venture possibilities.

Emphasis on business retention and local development has resulted in a significant local visitation program being undertaken this year. Over 170 businesses had been called upon throughout the Region. Follow up action requiring staff to respond to a variety of problems and complaints was necessary in over sixty instances. Many calls resulted in discoveries of plans for company expansion or relocation. Firms considering relocating from the Region could then be persuaded to stay.

Staff were generally well received by firms visited and usually able to rectify problems mentioned by firms. The most frequent complaints were government red tape, high taxes, public transit and lack of suitable trained labour amidst a myriad of concerns noted. In general the program was well received and appreciated as a Regional initiative.

4.0 INTERNATIONAL MARKETING

The past few years have seen regional elected officials and/or staff embark on business missions to the Far East and Europe. A particular emphasis has been placed on Hong Kong and West Germany. Immigration statistics show that more investors are coming from those two parts of the world than all other countries combined. Hong Kong and West Germany have been identified as the "hot spots" for investment opportunities. Accordingly, the Region has targeted them as major destinations when seeking new investment for Hamilton-Wentworth.

Middle and Far East

In May Councillor Paul Cowell and staff renewed business contacts and generated new opportunities in Hong Kong. During the seven days in Hong Kong, nineteen meetings (plus follow-ups) were held. Canada continues to attract investment from Hong Kong and it is imperative that Hamilton-Wentworth maintain its hard earned profile in that market place.

Meetings with senior representatives from the federal and provincial governments were held in order that the Region remain fully apprised of events and trends within Hong Kong regarding entrepreneurs and their investments. Business meetings held with numerous entrepreneurs were positive but confirmed that promotional efforts must continue in that area if the programme is to succeed. A detailed report of activities was presented to Committee and Council in June, 1986.

A staff trip to attend the Cairo International Fair in March resulted in several contacts for investment in Hamilton-Wentworth. Four of such investors have visited the Region in the second half of the year. Two of them presented serious business plans to the provincial government, regarding: one Industrial/Commercial advanced facility; and a joint venture with a local partner for a quality restaurant-hotel project. Other inquiries are being pursued.

Europe

Regional Chairman Wm. Sears, accompanied by staff, conducted high level meetings with senior government officials and businessmen in Germany and Italy in April, 1986. The purpose of the mission was to initiate new contacts and to follow-up on those previously developed during earlier efforts.

Trade fairs in Hanover and Milan were attended and several qualified contacts were made. In Greater Hannover, discussions were held regarding the promotion of trade and cultural ties between that Region and Hamilton-Wentworth. A detailed report was submitted to the Committee in May 1986.

Staff returned to Europe in the fall to pursue those inquiries and generate new leads. One Austrian entrepreneur has obtained his investment immigration visa, and commitment was secured from the NordRhein-Westfalia Association of Plastic and Woodwork to participate in the Hamilton Home Show in March 1987. Other inquiries are followed up. A detailed report on this subject was presented to the Committee in November.

Twinning

Preliminary discussions were held between Chairman Sears and the Council members of Greater Hannover in Germany regarding the possibility of establishing a closer relationship based on mutual long term economic benefits.

Mr. Stroetmann, Chairman of the Economic Development Committee of Greater Hannover, visited the Region in July 1986. He made a presentation to Economic Development and Planning Committee and Regional Council regarding the ideas of twinning the two communities.

During the second staff trip, further discussions were held in Hannover on the subject of twinning and other business development opportunities. A detailed report regarding this matter was presented to the Committee in November.

The question of mundialization is being pursued by staff members assigned to represent the Region on the Hamilton Mundialization Committee.

5.0 ADVERTISING

The main theme of the Regional advertising campaign was the hard hat and slogan "Look At Us Now" which was placed with the view to increase awareness and invite inquiries about the Region. Other ads were placed with the Hamilton Spectator and Brabant publications regarding joint venture and licensing opportunities. Local magazines were utilized to advertise Hamilton Airport. Staff participated in the production of a Financial Post supplement published in April. In addition, the Region received valuable media coverage in Business & Finance (November) in Ontario, and Travelling on Business (March). Much advertising has been placed in local publications in order to create local awareness and improve the Regional image.

International advertising was placed in specialized magazines in selected markets to obtain maximum cost benefit and greater impact.

Local Advertising

- o Hamilton & District Chamber of Commerce Panorama
- o Flamborough Chamber of Commerce Directory
- o Hamilton Cue Magazine
- o Hamilton This Month
- o Woman's View
- o Better Business Directory
- o The Hamilton Spectator
- o Brabant Publications (6)
- o The Golden Guide
- o Hamilton Report
- o Several local one-time publications
- o McMaster Times
- o Hamilton Downtown YMCA Program
- o Wing Drift [Special Edition] (RCAF Association)

National Advertising

- o The Financial Post (Supplement)
- o Business and Finance in Ontario
- o Business Journal (Metro Toronto Magazine)
- o The Financial Times (Special Issue - Site Selection '86)
- o Junior Hockey Magazine

International Advertising

- o Area Development Magazine (U.S.A.)
 - o Pacific Business (Far East)
 - o Canada Journal (Germany)
 - o Invest Canada (International)
 - o Canadian German Chamber of Commerce (Canada/Germany)
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6.0 SPECIAL PROJECTS

Specialized Proposals

A standard format was developed for specialized proposals to be sent to prospects considering a location within Hamilton-Wentworth. The proposals contain pertinent data on the quality of life, demographics, viable business environment, transportation and other advantages of the Region. A series of possible sites are normally presented based upon the site selection criteria of each prospect.

Detailed proposals have been produced and sent to firms involved in a variety of industry sectors. Automotive parts manufacturers and assemblers, aviation research and testing, metal fabricating and manufacturing, a chemical products industry and warehouse/distribution companies are samples of the type of firms approached.

Proposals were prepared and presented to fifteen different prospects. Three firms located in other communities and eleven prospects are still undecided. One firm is currently constructing a manufacturing facility in Ancaster Industrial Park.

Canada Steel Science and Technology Centre

Staff continued their involvement with the Canada Steel Science and Technology Centre. A feasibility study is scheduled for 1987 if the appropriate funding from the provincial and federal governments is granted. Selection of a consultant to conduct the study was undertaken during 1986. The final decision is dependent upon obtainment of the required funds.

Airport Marketing

In an effort to attract more business to the airport, the federal government has announced that it will participate on an equal basis with the Region to conduct a \$50,000 marketing study. Regional Council has approved funding for the study.

The Hamilton Airport was promoted by the Department during 1986. A grand opening in February highlighting the facility, an airport brochure, a feature story in the Department's Skyline newsletter, advertisements in local publications, and other promotional tools all attempted to focus attention on the Hamilton Airport.

Confederation Park Hotel Proposal

To determine an optimum site in Confederation Park for a possible hotel development, the Region agreed to participate with the Hamilton-Wentworth Conservation Authority in commissioning a marketing study. Regional Council approved funds to undertake the study in 1987.

Auto Parts Promotion Campaign

Staff embarked upon a program directed toward inducing development of automobile assemblers and parts manufacturing companies. Proposals (see above) were prepared and submitted to major automobile assemblers and parts manufacturers considering locating within Canada.

A direct mail campaign utilizing the Auto Parts Industry report was sent to assemblers and parts manufacturers throughout Japan, Canada and the United States.

7.0 PROFESSIONAL DEVELOPMENT

Staff attended Ontario Industrial Development Council conferences in Toronto, Sault Ste. Marie, Brampton, and Orillia. The purpose of the meetings was information exchange between practitioners and provincial officials to keep staff aware of new programmes or policy changes at the senior government level and to learn new techniques for the performance of their duties. Speakers and seminars at O.I.D.C. conferences provide valuable education for staff.

The Region hosted the American Economic Development Council's annual meeting where members discussed bi-lateral trade opportunities between the two countries. Attended by some 350 delegates, the conference was a complete success.

Staff attended University of Waterloo/IDAC Economic Development Programme courses. The Economic Development Programme is designed to provide a grasp of the principles of economic development and invoke a higher degree of professionalism. The Certificate Programme provides a basic understanding through case studies, project work and specialized lectures held at the University of Waterloo. Graduates of the Certificate Programme can work towards a Diploma in Economic Development by attending specialized seminars and completing a major research paper.

Staff and Committee Chairman Paul Cowell attended the 1986 Industrial Developers Association of Canada conference in Calgary in September. The theme of the conference was "Selling Canada". The conference provided a forum for interaction at the national level between development practitioners as well as seminars and lectures to aid international marketing efforts. A report of this conference was submitted to the Committee in October.

Staff, Councillor Don Ross and Regional Chairman William Sears attended the Small Business Incubator Conference in Moncton in October. The conference provided insight into the operation and formation of small business centres. A report was submitted to the Committee in November.



